

Auditing Procedures Report

Issued under P.A. 2 of 1968, as amended.

Local Government Type <input type="checkbox"/> City <input checked="" type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Other		Local Government Name TOWNSHIP OF MANLIUS	County ALLEGAN
Audit Date 3/31/04	Opinion Date 5/3/04	Date Accountant Report Submitted to State: 10/28/04	

We have audited the financial statements of this local unit of government and rendered an opinion on financial statements prepared in accordance with the Statements of the Governmental Accounting Standards Board (GASB) and the *Uniform Reporting Format for Financial Statements for Counties and Local Units of Government in Michigan* by the Michigan Department of Treasury.

We affirm that:


1. We have complied with the *Bulletin for the Audits of Local Units of Government in Michigan* as revised.
2. We are certified public accountants registered to practice in Michigan.

We further affirm the following. "Yes" responses have been disclosed in the financial statements, including the notes, or in the report of comments and recommendations

You must check the applicable box for each item below.

- ☐ Yes ☒ No 1. Certain component units/funds/agencies of the local unit are excluded from the financial statements.
- ☐ Yes ☒ No 2. There are accumulated deficits in one or more of this unit's unreserved fund balances/retained earnings (P.A. 275 of 1980).
- ☒ Yes ☐ No 3. There are instances of non-compliance with the Uniform Accounting and Budgeting Act (P.A. 2 of 1968, as amended).
- ☐ Yes ☒ No 4. The local unit has violated the conditions of either an order issued under the Municipal Finance Act or its requirements, or an order issued under the Emergency Municipal Loan Act.
- ☐ Yes ☒ No 5. The local unit holds deposits/investments which do not comply with statutory requirements. (P.A. 20 of 1943, as amended [MCL 129.91], or P.A. 55 of 1982, as amended [MCL 38.1132]).
- ☐ Yes ☒ No 6. The local unit has been delinquent in distributing tax revenues that were collected for another taxing unit.
- ☐ Yes ☒ No 7. The local unit has violated the Constitutional requirement (Article 9, Section 24) to fund current year earned pension benefits (normal costs) in the current year. If the plan is more than 100% funded and the overfunding credits are more than the normal cost requirement, no contributions are due (paid during the year).
- ☐ Yes ☒ No 8. The local unit uses credit cards and has not adopted an applicable policy as required by P.A. 266 of 1995 (MCL 129.241).
- ☐ Yes ☒ No 9. The local unit has not adopted an investment policy as required by P.A. 196 of 1997 (MCL 129.95).

We have enclosed the following:	Enclosed	To Be Forwarded	Not Required
The letter of comments and recommendations.			✓
Reports on individual federal financial assistance programs (program audits).			✓
Single Audit Reports (ASLGU).			✓

Certified Public Accountant (Firm Name) Siegfried Crandall PC			
Street Address 246 East Kilgore Road		City Kalamazoo	State MI
		ZIP 49002-5599	
Accountant Signature 		Date 10/28/04	

Township of Manlius
Allegan County, Michigan
**FINANCIAL STATEMENTS AND
INDEPENDENT AUDITORS' REPORT**
Year ended March 31, 2004

CONTENTS

	<i>Page</i>
INDEPENDENT AUDITORS' REPORT	3
GENERAL PURPOSE FINANCIAL STATEMENTS:	
Combined balance sheet - all fund types and account group	4
Combined statement of revenues, expenditures, and changes in fund balances - all governmental fund types	5
Combined statement of revenues, expenditures, and changes in fund balances - budget and actual - general and special revenue funds	6
Notes to financial statements	7 - 12
REQUIRED SUPPLEMENTARY INFORMATION:	
Analysis of funding progress - Employee Retirement System	13
SUPPLEMENTARY INFORMATION:	
Statement of revenues, expenditures, and changes in fund balance - budget and actual - General Fund	14 - 16
Combining balance sheet - special revenue funds	17
Combining statement of revenues, expenditures, and changes in fund balance - special revenue funds	18
Statement of changes in assets and liabilities - agency fund	19

INDEPENDENT AUDITORS' REPORT

**Board of Trustees
Township of Manlius, Michigan**

We have audited the accompanying general purpose financial statements of the Township of Manlius, Michigan, as of and for the year ended March 31, 2004, as listed in the contents. These general purpose financial statements are the responsibility of the Township's management. Our responsibility is to express an opinion on these general purpose financial statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the general purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the general purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall general purpose financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the general purpose financial statements referred to above present fairly, in all material respects, the financial position of the Township of Manlius, Michigan, as of March 31, 2004, and the results of its operations for the year then ended in conformity with U.S. generally accepted accounting principles.

The analysis of funding progress of the Employee Retirement System, on page 13, is not a required part of the general purpose financial statements, but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was made for the purpose of forming an opinion on the general purpose financial statements taken as a whole. The accompanying individual fund statements, identified as supplementary information in the contents, are presented for purposes of additional analysis and are not a required part of the general purpose financial statements of the Township of Manlius, Michigan. Such information has been subjected to the auditing procedures applied in the audit of the general purpose financial statements and, in our opinion, is stated fairly in all material respects in relation to the general purpose financial statements taken as a whole.

Siegfried Crandall P.C.

May 3, 2004

GENERAL PURPOSE FINANCIAL STATEMENTS

Township of Manlius**COMBINED BALANCE SHEET - all fund types and account group**

March 31, 2004

		<i>Governmental fund type</i>	
		<i>General</i>	<i>Special revenue</i>
		<hr/>	<hr/>
ASSETS			
Cash		\$ 924,031	\$ 96,718
Receivables:			
Taxes		34,075	-
Accounts		4,826	-
Due from other governmental units		32,465	-
Due from other funds		5,017	-
Fixed assets		-	-
		<hr/>	<hr/>
TOTAL ASSETS		<u>\$ 1,000,414</u>	<u>\$ 96,718</u>
LIABILITIES AND FUND EQUITY			
LIABILITIES:			
Accounts payable		\$ 9,283	\$ -
Accrued expenses		4,642	-
Due to other governmental units		553	-
Due to other funds		-	-
Due to others		6,986	-
		<hr/>	<hr/>
Total liabilities		<u>21,464</u>	<u>-</u>
FUND EQUITY:			
Investment in general fixed assets		-	-
Fund balance:			
Reserved		5,736	-
Unreserved, undesignated		973,214	96,718
		<hr/>	<hr/>
Total fund equity		<u>978,950</u>	<u>96,718</u>
TOTAL LIABILITIES AND FUND EQUITY		<u>\$ 1,000,414</u>	<u>\$ 96,718</u>

<i>Fiduciary fund type</i>	<i>Account group</i>	<i>Totals</i>
<i>Trust and agency</i>	<i>General fixed assets</i>	<i>(memorandum only)</i>
\$ 5,017	\$ -	\$ 1,025,766
-	-	34,075
-	-	4,826
-	-	32,465
-	-	5,017
-	250,036	250,036
<u>\$ 5,017</u>	<u>\$ 250,036</u>	<u>\$ 1,352,185</u>
\$ -	\$ -	\$ 9,283
-	-	4,642
-	-	553
5,017	-	5,017
-	-	6,986
<u>5,017</u>	<u>-</u>	<u>26,481</u>
-	250,036	250,036
-	-	5,736
-	-	1,069,932
<u>-</u>	<u>250,036</u>	<u>1,325,704</u>
<u>\$ 5,017</u>	<u>\$ 250,036</u>	<u>\$ 1,352,185</u>

See notes to financial statements

Township of Manlius**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - all governmental fund types***Year ended March 31, 2004*

	<u>General</u>	<u>Special revenue</u>	<u>Totals (memorandum only)</u>
REVENUES:			
Taxes	\$ 103,791	\$ 371,215	\$ 475,006
Licenses and permits	56,270	-	56,270
State grants	195,054	-	195,054
Charges for services	150	-	150
Interest and rentals	19,140	-	19,140
Other	463	-	463
Total revenues	<u>374,868</u>	<u>371,215</u>	<u>746,083</u>
EXPENDITURES:			
Legislative	7,650	-	7,650
General government	145,390	-	145,390
Public safety	46,034	102,425	148,459
Public works	652,890	-	652,890
Economic and community development	42,641	-	42,641
Capital outlay	7,225	-	7,225
Total expenditures	<u>901,830</u>	<u>102,425</u>	<u>1,004,255</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(526,962)</u>	<u>268,790</u>	<u>(258,172)</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	279,222	-	279,222
Operating transfers out	-	(279,222)	(279,222)
Total other financing sources (uses)	<u>279,222</u>	<u>(279,222)</u>	<u>-</u>
DEFICIENCY OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(247,740)</u>	<u>(10,432)</u>	<u>(258,172)</u>
FUND BALANCE - BEGINNING OF YEAR	<u>1,226,690</u>	<u>107,150</u>	<u>1,333,840</u>
FUND BALANCE - END OF YEAR	<u>\$ 978,950</u>	<u>\$ 96,718</u>	<u>\$ 1,075,668</u>

See notes to financial statements

THIS PAGE INTENTIONALLY LEFT BLANK

Township of Manlius**COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES - BUDGET AND ACTUAL - general and special revenue funds**

Year ended March 31, 2004

	<i>General</i>		
	<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>
REVENUES:			
Taxes	\$ 101,996	\$ 103,791	\$ 1,795
Licenses and permits	38,500	56,270	17,770
State grants	200,000	195,054	(4,946)
Charges for services	200	150	(50)
Interest and rentals	15,000	19,140	4,140
Other	300	463	163
Total revenues	<u>355,996</u>	<u>374,868</u>	<u>18,872</u>
EXPENDITURES:			
Legislative	8,000	7,650	350
General government	174,500	145,390	29,110
Public safety	56,000	46,034	9,966
Public works	753,580	652,890	100,690
Economic and community development	55,550	42,641	12,909
Capital outlay	15,000	7,225	7,775
Total expenditures	<u>1,062,630</u>	<u>901,830</u>	<u>160,800</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(706,634)</u>	<u>(526,962)</u>	<u>179,672</u>
OTHER FINANCING SOURCES (USES):			
Operating transfers in	280,000	279,222	(778)
Operating transfers out	-	-	-
Total other financing sources (uses)	<u>280,000</u>	<u>279,222</u>	<u>(778)</u>
DEFICIENCY OF REVENUES AND OTHER SOURCES OVER EXPENDITURES AND OTHER USES	<u>(426,634)</u>	<u>(247,740)</u>	<u>178,894</u>
FUND BALANCE - BEGINNING OF YEAR	<u>1,226,690</u>	<u>1,226,690</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 800,056</u>	<u>\$ 978,950</u>	<u>\$ 178,894</u>

<i>Special revenue</i>			<i>Totals (memorandum only)</i>		
<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>	<i>Budget</i>	<i>Actual</i>	<i>Variance favorable (unfavorable)</i>
\$ 320,000	\$ 371,215	\$ 51,215	\$ 421,996	\$ 475,006	\$ 53,010
-	-	-	38,500	56,270	17,770
-	-	-	200,000	195,054	(4,946)
-	-	-	200	150	(50)
-	-	-	15,000	19,140	4,140
-	-	-	300	463	163
<u>320,000</u>	<u>371,215</u>	<u>51,215</u>	<u>675,996</u>	<u>746,083</u>	<u>70,087</u>
-	-	-	8,000	7,650	350
-	-	-	174,500	145,390	29,110
116,000	102,425	13,575	172,000	148,459	23,541
-	-	-	753,580	652,890	100,690
-	-	-	55,550	42,641	12,909
-	-	-	15,000	7,225	7,775
<u>116,000</u>	<u>102,425</u>	<u>13,575</u>	<u>1,178,630</u>	<u>1,004,255</u>	<u>174,375</u>
<u>204,000</u>	<u>268,790</u>	<u>64,790</u>	<u>(502,634)</u>	<u>(258,172)</u>	<u>244,462</u>
-	-	-	280,000	279,222	(778)
<u>(280,000)</u>	<u>(279,222)</u>	<u>778</u>	<u>(280,000)</u>	<u>(279,222)</u>	<u>778</u>
<u>(280,000)</u>	<u>(279,222)</u>	<u>778</u>	<u>-</u>	<u>-</u>	<u>-</u>
(76,000)	(10,432)	65,568	(502,634)	(258,172)	244,462
<u>107,150</u>	<u>107,150</u>	<u>-</u>	<u>1,333,840</u>	<u>1,333,840</u>	<u>-</u>
<u>\$ 31,150</u>	<u>\$ 96,718</u>	<u>\$ 65,568</u>	<u>\$ 831,206</u>	<u>\$ 1,075,668</u>	<u>\$ 244,462</u>

See notes to financial statements

Township of Manlius
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accounting policies of the Township of Manlius, Michigan (the Township), conform to U.S. generally accepted accounting principles (hereinafter referred to as generally accepted accounting principles) as applicable to governments. The following is a summary of the more significant policies:

a) Reporting entity:

In accordance with generally accepted accounting principles and Government Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, these financial statements present the Township (primary government). The criteria established by the GASB for determining the reporting entity includes oversight responsibility, fiscal dependency, and whether the financial statements would be misleading if data were not included. The Township has determined that no outside agency meets the above criteria and, therefore, no outside agency has been included as a blended or discretely-presented component unit in the Township's financial statements.

b) Basis of presentation:

The accounts of the Township are organized on the basis of funds and an account group, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The financial activities of the Township are recorded in the separate funds and account group, categorized, and described as follows:

i) Governmental funds:

General Fund - this fund is used to account for all financial transactions except those required to be accounted for in another fund. The fund includes the general operations expenditures of the local unit. Revenue is derived primarily from property taxes, state distributions, interest, and charges for certain services.

Special revenue funds - these funds are used to account for the proceeds of specific revenue sources (other than major capital projects) requiring separate accounting because of legal or regulatory provisions or administrative action.

ii) Fiduciary funds:

Agency funds - these funds are used to account for assets held by the Township in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Township of Manlius
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

b) Basis of presentation (continued):

iii) Account group:

General fixed assets account group - fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the general fixed assets account group, rather than in governmental funds. Public domain ("infra-structure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems, are not capitalized along with other general fixed assets. No depreciation has been provided on general fixed assets.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated.

The account group is not a "fund." It is concerned only with the measurement of financial position and is not involved with measurement of results of operations.

c) Basis of accounting:

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements.

All governmental fund types and agency funds are accounted for using the modified accrual basis of accounting. Their revenue is recognized when they become measurable and available as net current assets.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

d) Budgets and budgetary accounting:

The Township follows the procedures in establishing the budgetary data reflected in the financial statements in accordance with the Uniform Budgeting and Accounting Act (Act No. 621, Public Acts of 1978) as prescribed by the State of Michigan.

The budgets for the general and special revenue funds are adopted at the activity level and are on a basis consistent with generally accepted accounting principles.

e) Receivables:

All receivables are estimated to be fully collectible as presented.

f) Property tax revenue recognition:

The Township levy date is December 1 on property values assessed as of December 31 of the prior year. The billings are due on February 14 (75 days after the date levied), at which date the bill becomes delinquent and penalties and interest may be assessed by the Township. The Township considers property taxes levied December 1 to be revenue of the current year.

Township of Manlius
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

g) Totals (memorandum only):

The total column on the combined statements is captioned "memorandum only" to indicate that it is prepared only to facilitate financial analysis. Data in this column does not present financial position, results of operations, or changes in financial position in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation as interfund eliminations have not been made.

NOTE 2 - DEPOSITS:

Deposits are carried at cost and are maintained at various financial institutions in the name of the Township Treasurer. Michigan Compiled Laws, Section 129.91, authorizes the Township to deposit and invest in accounts of federally-insured banks, credit unions, and savings and loan associations. At March 31, 2004, the Township has deposits with a carrying amount of \$1,025,766 and a bank balance of \$1,030,791. Of the bank balance, \$500,000 is covered by federal depository insurance and \$530,791 is uninsured.

NOTE 3 - GENERAL FIXED ASSETS:

The following is a schedule of changes in general fixed assets of the Township during the year ended March 31, 2004:

	<i>Balance April <u>1, 2003</u></i>	<i><u>Additions</u></i>	<i><u>Deductions</u></i>	<i>Balance March <u>31, 2004</u></i>
Land and land improvements	\$ 5,000	\$ -	\$ -	\$ 5,000
Buildings and improvements	146,214	4,762	-	150,976
Office furniture and equipment	<u>91,910</u>	<u>2,150</u>	<u>-</u>	<u>94,060</u>
Total investment in general fixed assets	<u>\$243,124</u>	<u>\$ 6,912</u>	<u>\$ -</u>	<u>\$250,036</u>

NOTE 4 - INTERFUND RECEIVABLES AND PAYABLES:

The amounts of interfund receivables and payables at March 31, 2004, are as follows:

<i><u>Fund</u></i>	<i><u>Interfund receivables</u></i>	<i><u>Fund</u></i>	<i><u>Interfund payables</u></i>
General	<u>\$5,017</u>	Tax Collection	<u>\$5,017</u>

Township of Manlius
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 5 - CLAIMS ARISING FROM RISK OF LOSS:

The Township is exposed to various risks of loss to general liability, property and casualty, and workers' compensation.

The risks of loss arising from general liability up to \$1,000,000, building contents, workers' compensation, and casualty are managed through purchased commercial insurance.

NOTE 6 - CONSTRUCTION CODE ACT:

A summary of construction code enforcement transactions for the year ended March 31, 2004, are as follows:

Revenues	\$41,153
Expenses	<u>45,575</u>
Deficiency of revenues over expenses	<u>\$ (4,422)</u>

NOTE 7 - JOINT VENTURES:

a) Hamilton Area Fire Board:

The Township is a member of the Hamilton Area Fire Board (the Authority), which is a joint venture of the Townships of Manlius, Heath, and Fillmore. The Administrative Board of the Authority consists of members appointed by each participating unit and three non-voting members from the Hamilton Fire Department. The Authority was formed to jointly provide fire protection services within the combined service area, which encompasses the participating municipalities. During the year ended March 31, 2004, the Township contributed \$65,742 as its proportionate share of the Authority's budgeted costs. Complete audited financial statements for the Authority can be obtained from the Clerk of the Township of Heath.

b) Fennville Area Fire Board:

The Township is a member of the Fennville Area Fire Board (the Authority), which is a joint venture of the Townships of Manlius and Clyde, and the City of Fennville. The Administrative Board of the Authority consists of members appointed by each participating unit. The Authority was formed to jointly provide fire protection services within the combined service area, which encompasses the participating municipalities. During the year ended March 31, 2004, the Township contributed \$35,309 as its proportionate share of the Authority's budgeted costs. Complete audited financial statements for the Authority can be obtained from the Treasurer of the Fennville Fire Department.

NOTE 8 - DEFINED BENEFIT PENSION PLAN:

a) Available plans and covered employees:

Township employees may participate in the Municipal Employees' Retirement System (MERS), an agent multi-employer public employee retirement system.

Township of Manlius
NOTES TO FINANCIAL STATEMENTS (Continued)

NOTE 8 - DEFINED BENEFIT PENSION PLAN (Continued):

b) MERS:

Description of plan and plan assets:

The Township's defined benefit pension plan provides retirement, disability, and death benefits to plan members and beneficiaries. The Township's defined benefit pension plan is affiliated with the Municipal Employees' Retirement System of Michigan (MERS), an agent multiple-employer public employee retirement system that acts as a common investment and administrative agent for municipalities in Michigan. Public Act 220 of 1996 of the State of Michigan assigns the authority to establish and amend the benefit provisions to the Township. The MERS issues a publicly-available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Municipal Employees' Retirement System of Michigan, 447 N. Canal, Lansing, Michigan 48917 or by calling 1-800-767-6377.

i) Funding policy:

MERS members may contribute from 0% to 10% of annual compensation. The Township is required to contribute at an actuarially determined rate; the current rate is 7.8% to 16.8% of annual covered payroll depending on the member contributions. The contribution requirements of plan members and the commission are established, and may be amended, by MERS.

ii) Annual pension cost:

For the year ended March 31, 2004, the Township contributions were \$10,088, which were made in accordance with contribution requirements determined by an actuarial valuation of the plan as of December 31, 2002. The employer contribution rate has been determined using the entry age normal cost funding method. Under the entry age normal cost funding method, the total employer contribution is comprised of the normal cost. The employer normal cost is, for each employee, the level percentage of payroll contribution (from entry age to retirement) required to accumulate sufficient assets at the member's retirement to pay for his projected benefit. Significant actuarial assumptions used included (a) 8.0% long-term net investment rate of return and (b) projected salary increases of 4.5% per year. The actuarial value of MERS assets was determined using techniques that smooth the effects of short-term volatility in the market value of investments over a five-year period.

iii) Trend information:

<u>Fiscal year ended March 31</u>	<u>Annual pension cost (APC)</u>	<u>Percentage of APC contributed</u>	<u>Net pension obligation</u>
2001	\$ 6,290	100%	\$ -
2002	7,547	100%	-
2003	8,664	100%	-
2004	10,088	100%	-

Township of Manlius
NOTES TO FINANCIAL STATEMENTS (*Continued*)

NOTE 9 - EXCESS OF EXPENDITURES OVER APPROPRIATIONS IN BUDGETARY FUNDS:

P.A. 621 of 1978, Section 18(1), as amended, provides that a local unit shall not incur expenditures in excess of the amount appropriated.

In the body of the financial statements, the Township's actual expenditures and budgeted expenditures for the budgetary funds have been shown on a functional basis. The approved budgets of the Township for the general and special revenue funds were adopted to the activity level.

The following schedule sets forth significant budget variations:

<u>Fund</u>	<u>Function</u>	<u>Activity</u>	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
General	General government	Clerk	\$18,150	\$19,365	\$1,215
		Treasurer	18,210	20,036	1,826

REQUIRED SUPPLEMENTARY INFORMATION

Township of Manlius
ANALYSIS OF FUNDING PROGRESS - Employee Retirement System
(Municipal Employees' Retirement System of Michigan)

The information presented in the required supplementary schedule was determined as part of the actuarial valuation at the dates indicated.

Actuarial valuation date <u>December 31</u>	Actuarial value of assets <u>(a)</u>	Actuarial accrued liability (AAL) entry age <u>(b)</u>	Underfunded (overfunded) AAL (UAAL) <u>(b-a)</u>	Funded ratio <u>(a/b)</u>	Covered payroll <u>(c)</u>	UAAL as a percentage of covered payroll <u>((b-a)/c)</u>
2000	\$ 7,024	\$109,599	\$102,575	6%	\$68,438	150%
2001	\$21,982	\$130,288	\$108,306	17%	\$72,997	148%
2002	\$40,335	\$147,415	\$107,080	27%	\$75,095	143%

SUPPLEMENTARY INFORMATION

Township of Manlius**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - General Fund***Year ended March 31, 2004*

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
REVENUES:			
Taxes:			
Current property taxes	\$ 79,540	\$ 81,342	\$ 1,802
Tax administration fees	22,000	21,993	(7)
Trailer park fees	<u>456</u>	<u>456</u>	<u>-</u>
Total taxes	<u>101,996</u>	<u>103,791</u>	<u>1,795</u>
Licenses and permits:			
Building and other permits	30,000	41,178	11,178
Cablevision fees	1,500	1,502	2
Application fees	5,000	10,290	5,290
Land division fees	<u>2,000</u>	<u>3,300</u>	<u>1,300</u>
Total licenses and permits	<u>38,500</u>	<u>56,270</u>	<u>17,770</u>
State grants - state revenue sharing	<u>200,000</u>	<u>195,054</u>	<u>(4,946)</u>
Charges for services - cemetery operations	<u>200</u>	<u>150</u>	<u>(50)</u>
Interest - interest and investment income	<u>15,000</u>	<u>19,140</u>	<u>4,140</u>
Other:			
Refunds and reimbursements	100	243	143
Other	<u>200</u>	<u>220</u>	<u>20</u>
Total other	<u>300</u>	<u>463</u>	<u>163</u>
Total revenues	<u>355,996</u>	<u>374,868</u>	<u>18,872</u>

Township of Manlius**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - General Fund (Continued)**

Year ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
EXPENDITURES:			
Legislative - Township Board	<u>\$ 8,000</u>	<u>\$ 7,650</u>	<u>\$ 350</u>
General government:			
Supervisor	13,025	12,893	132
Elections	5,900	67	5,833
Assessor	20,500	20,602	(102)
Clerk	18,150	19,365	(1,215)
Board of review	2,900	3,167	(267)
Treasurer	18,210	20,036	(1,826)
Township hall	21,140	16,677	4,463
Cemetery	7,175	7,701	(526)
Payroll taxes	10,500	7,543	2,957
Insurance	4,500	4,362	138
Other	<u>52,500</u>	<u>32,977</u>	<u>19,523</u>
Total general government	<u>174,500</u>	<u>145,390</u>	<u>29,110</u>
Public safety:			
Building inspection	50,000	40,723	9,277
Ambulance	<u>6,000</u>	<u>5,311</u>	<u>689</u>
Total public safety	<u>56,000</u>	<u>46,034</u>	<u>9,966</u>
Public works:			
Drains at large	2,000	621	1,379
Highways and streets	750,000	651,463	98,537
Sanitation	<u>1,580</u>	<u>806</u>	<u>774</u>
Total public works	<u>753,580</u>	<u>652,890</u>	<u>100,690</u>

Township of Manlius**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - General Fund (Continued)**

Year ended March 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
EXPENDITURES (Continued):			
Economic and community development - planning and zoning	<u>\$ 55,550</u>	<u>\$ 42,641</u>	<u>\$ 12,909</u>
Capital outlay	<u>15,000</u>	<u>7,225</u>	<u>7,775</u>
Total expenditures	<u>1,062,630</u>	<u>901,830</u>	<u>160,800</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	<u>(706,634)</u>	<u>(526,962)</u>	<u>179,672</u>
OTHER FINANCING SOURCES:			
Operating transfer in:			
Road Improvement Fund	133,000	132,596	(404)
Road Resurfacing Fund	<u>147,000</u>	<u>146,626</u>	<u>(374)</u>
Total other financing sources	<u>280,000</u>	<u>279,222</u>	<u>(778)</u>
DEFICIENCY OF REVENUES AND OTHER SOURCES OVER EXPENDITURES	(426,634)	(247,740)	178,894
FUND BALANCE - BEGINNING OF YEAR	<u>1,226,690</u>	<u>1,226,690</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 800,056</u>	<u>\$ 978,950</u>	<u>\$ 178,894</u>

Township of Manlius
COMBINING BALANCE SHEET - special revenue funds
 March 31, 2004

		<u>Fire</u>	<u>Road Improvement</u>	<u>Road Resurface</u>	<u>Totals (memorandum only)</u>
	ASSETS				
Cash		<u>\$ 96,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,718</u>
	FUND BALANCE				
Fund balance - undesignated		<u>\$ 96,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,718</u>

Township of Manlius**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - *special revenue funds****Year ended March 31, 2004*

	<u>Fire</u>	<u>Road Improvement</u>	<u>Road Resurface</u>	<u>Totals (memorandum only)</u>
REVENUES:				
Taxes	\$ 128,489	\$ 132,596	\$ 110,130	\$ 371,215
EXPENDITURES:				
Public safety	<u>102,425</u>	<u>-</u>	<u>-</u>	<u>102,425</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>26,064</u>	<u>132,596</u>	<u>110,130</u>	<u>268,790</u>
OTHER FINANCING USES:				
Operating transfers out	<u>-</u>	<u>(132,596)</u>	<u>(146,626)</u>	<u>(279,222)</u>
EXCESS (DEFICIENCY) OF OF REVENUES OVER OTHER USES	26,064	-	(36,496)	(10,432)
FUND BALANCE - BEGINNING OF YEAR	<u>70,654</u>	<u>-</u>	<u>36,496</u>	<u>107,150</u>
FUND BALANCE - END OF YEAR	<u>\$ 96,718</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 96,718</u>

Township of Manlius**STATEMENT OF CHANGES IN ASSETS AND LIABILITIES - *agency fund****Year ended March 31, 2004*

	<i>Balance April 1, 2003</i>	<i>Additions</i>	<i>Deductions</i>	<i>Balance March 31, 2004</i>
TAX COLLECTION FUND				
ASSETS				
Cash	<u>\$ 4,972</u>	<u>\$ 2,130,585</u>	<u>\$ 2,130,540</u>	<u>\$ 5,017</u>
LIABILITIES				
Due to other governmental units	\$ 524	\$ 1,663,637	\$ 1,664,161	\$ -
Due to other funds	4,448	462,250	461,681	5,017
Due to others	<u>-</u>	<u>4,698</u>	<u>4,698</u>	<u>-</u>
TOTAL LIABILITIES	<u>\$ 4,972</u>	<u>\$ 2,130,585</u>	<u>\$ 2,130,540</u>	<u>\$ 5,017</u>